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## Report of the Committee on Food Aid Policies and Programmes

* E/1994/100.

لجنة سياسات المعونة الغذائية وبرامجها
WFP COMMITTEE ON FOOD AID POLICIES AND PROGRAMMES
PAM COMITE DES POLITIQUES ET PROGRAMMES D'AIDE ALIMENTAIRE
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# NINETEENTH ANNUAL REPORT OF THE COMMITTEE ON FOOD AID POLICIES AND PROGRAMMES (CFA) TO THE ECONOMIC AND SOCIAL COUNCIL, THE FAO COUNCIL AND THE WORLD FOOD COUNCIL

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## INTRODUCTION

1. This report is submitted in pursuance of Rule 12 of the General Regulations of the World Food Programme, which requires the Committee on Food Aid Policies and Programmes (CFA) to "report annually to the Economic and Social Council and the Council of FAO".

2. The Committee's two regular sessions in 1993 were held in Rome. The Thirty-fifth Session was held from 31 May through 4 June and the Thirty-sixth Session from 25 to 28 October. At the Thirty-fifth Session, the Committee elected the Bureau for 1993 as follows: Ms. C. Theauvette (Canada), Chairperson; Mr. T.H. Beg (Bangladesh), First Vice-Chairperson; and Mr. J. Bailey (Australia), Second Vice-Chairperson.

3. The Committee also met informally during 1993 to facilitate the preparation of the 1994-95 programme support and administrative budget, and in informal working groups on General Assembly resolution 47/199.

## SUMMARY OF MAJOR DECISIONS AND CONCLUSIONS BY THE CFA AT ITS THIRTY-FIFTH AND THIRTY-SIXTH SESSIONS IN 1993

4. The Committee discussed the following major issues during 1993:

a) Annual Report of the Executive Director for 1992;

b) major relief operations;

c) Strategic Financial Plan of the World Food Programme for 1994-95;

d) programme support and administrative budget for 1994-95;

e) audited accounts for 1990-91 and the report of the External Auditor and appointment of the External Auditor for 1994-97;

f) WFP pledging target for 1995-96;

g) actions of interest since the Thirty-third Session of the CFA;

h) global food aid resources and review of food aid policies and programmes;

i) criteria for project approval; and

j) project proposals.

5. Annual Report of the Executive Director. The Committee recognized the considerable achievements of WFP over 30 years of operations and emphasized the need for a clear long-term strategy to guide WFP's activities in the future and to strengthen the Secretariat's capacity for analytical and policy work. The Committee noted the dramatic increase in the relative share of resources made available to WFP which were devoted to emergency and protracted refugee operations. A major shift in the balance between emergency and development assistance had taken place: commitments for relief activities in 1992 had been nearly 50 percent higher than in 1991; over the past two years WFP commitments of relief food aid had more than doubled. That change had major implications for the future directions of the Programme and needed to be carefully considered.

6. The Committee endorsed the Secretariat's efforts to link relief and development activities in disaster mitigation and rehabilitation programmes. Food-aided development projects could help disaster-prone countries prevent or mitigate emergency situations caused by natural disasters and assist in post-emergency rehabilitation. At the same time, relief assistance could be used to achieve developmental effects, for example through food-for-work programmes. The benefits from improvements in the port, transport and logistic facilities of developing countries to expedite the flow of relief food for development would remain after the emergency was over.

7. Concern was also expressed on the declining share of rural development and food security projects in the overall development project portfolio of the Programme, while a large share of resources were committed in support of school feeding projects. Total resources pledged to WFP for the 1991-92 biennium had reached nearly three billion dollars, more than 70 percent higher than for the 1989-90 biennium, which was itself a record; however, the Committee urged donors to make additional efforts to increase the level of their contributions to WFP's regular resources, although recognizing the budgetary constraints faced by them.

8. The special contributions by WFP to the international community's well-coordinated and successful response to the severe drought situation in southern Africa, including the establishment of a special logistics coordination and information service to keep track of all food flows to the affected countries, were noted with appreciation.

9. The Committee welcomed the close relationships the Programme had established with the United Nations Department of Humanitarian Affairs. It also praised the close cooperation between UNHCR and WFP, which was reflected in an Agreement under which WFP delivers food aid to refugees in developing countries. The close working relations with FAO were noted with appreciation, especially in fielding joint food assessment missions; the CFA welcomed the proposed collaboration in risk and vulnerability mapping as part of ongoing work on disaster mitigation and rehabilitation. Notwithstanding the Programme's work to strengthen coordination and cooperation with NGOs, the Committee felt that more could be done, especially to make further use of the capacities of national and international NGOs.

10. The Committee welcomed the Executive Director's proposal that future annual reports be more analytical and contain more emphasis of the effect of WFP assistance on the lives of poor and hungry people. It was suggested that future reports might also contain more discussion of the lessons learned from WFP's experiences with food-aided relief and development activities.

11. Major relief operations. In response to a request made during the Thirty-third Session of the CFA, the Executive Director presented statements on major emergencies in which WFP was playing a significant operational role.

12. The Committee congratulated WFP for the remarkable work it had performed in the area of emergency relief operations, despite the extremely difficult conditions under which it had operated, at considerable risks to the safety and lives of its staff. In referring to the increased number of complex emergency situations, the Committee recognized the additional burden being placed on the Programme, with the attendant constraints on its resources and staff.

13. The Committee noted that the review of WFP's overall aims and strategies to be considered at the Thirty-seventh Session would also contribute to determining the most appropriate means for WFP to cope with the sudden growth in emergencies. The Committee expressed its satisfaction that the increased challenges in the area of emergency relief activities were being addressed in a coordinated fashion by the United Nations in general, and WFP in particular. In noting the contribution of the joint WFP/UNHCR working arrangements to improving the performance of refugee feeding operations, the Committee commended the Programme for undertaking a comprehensive review of those arrangements in conjunction with UNHCR. The Committee also took note of the intention to develop more formal mechanisms with NGOs to satisfy in particular the need for improved accountability.

14. The Committee expressed its support for the Immediate Response Account (IRA) as a means of improving the Programme's response to urgent food needs. In recognizing, however, the hitherto limited donor response to the funding of the IRA, the Committee suggested that the Secretariat should seek to widen the current donor base as a means of meeting the fund's 30 million dollar pledging target.

15. In response to questions on the future plans for evaluation of emergency operations, the Secretariat assured the Committee that it was fully committed to such a programme, and confirmed that a formal agenda for emergency evaluations was already in place, starting with the current mission for the southern Africa drought operation.

16. Strategic Financial Plan of the World Food Programme for 1994-95. In accordance with Financial Regulation 6.2, the Executive Director submitted to the Committee at its Thirty-fifth Session, a Strategic Financial Plan highlighting the main features of the proposed programme of work for the next biennium. In the Plan, the Executive Director stressed the challenges facing the Programme, areas for cost reductions or operational savings and progress on WFP headquarters accommodation in Rome.

17. The presentation was welcomed by the Committee. It stressed that the Strategic Financial Plans should be grounded in a well-defined policy framework, with specific strategic objectives and with expected outcomes. The requirements should be prioritized; it would be helpful if a number of scenarios could be developed.

18. The programme support and administrative budget for the biennium 1994-95. "The Committee, having considered the Executive Director's PSA budget proposals for 1994-95, the comments of the FAO Finance Committee and the United Nations Advisory Committee on Administrative and Budgetary Questions (ACABQ), together with the Executive Director's supplementary notes,

a) approved in the light of the considerations outlined below, the PSA budget of 230.7 million dollars for 1994-95 for five appropriation lines as follows:

| | Dollars |
|---|---|
| i) Secretariat: Headquarters | 106.8 million |
| ii) Secretariat: Country Offices | 106.4 million |
| iii) Services provided by FAO | 16.3 million |
| iv) Services provided by the United Nations and other organizations | 3.9 million |
| v) Contingency | 0.4 million |
| Less phasing-in effect | 3.1 million |
| Total | 230.7 million |

b) authorized the Executive Director to recost the budget at the United States dollar/lire exchange rate approved by the FAO Conference in November 1993;

c) welcomed the proposal of the Executive Director to phase in programme increases and approved the Operational Initiatives set out in the budget document, taking into account the various commitments of the Executive Director set out in sub-paragraph d) below;

d) noted with appreciation the commitment of the Executive Director to:

i) ensure that income and expenditure remain in balance;

ii) continue her efforts to identify and effect cost-saving measures in all aspects of the operations of the Programme;

iii) ensure that the cash reserve is not used to meet possible cash shortfalls in projected receipts and that it is at least maintained at the present level, subject to temporary changes arising from exchange rate fluctuations or the use of the cash reserve as temporary working capital against firm commitments;

iv) make every effort to absorb mandatory and inflationary cost increases in non-staff expenditure;

v) monitor carefully these issues;

vi) submit annual reports to the CFA on the financial situation of the programme and the implementation of the Operational Initiatives, beginning at its Thirty-eighth Session with an interim progress report on these matters;

e) requested the Executive Director to inform the CFA, as soon as possible, of any substantial overall adjustment or significant transfers within or between the main appropriation lines she felt it necessary to make to the 1994-95 PSA budget in the light of decisions the CFA might take at its Thirty-seventh or Thirty-eighth Session on the future policy orientations of the Programme;

f) decided to consider all those issues, together with the effects on future PSA budgets of the decisions of the CFA on the future policy orientations of the Programme, at its Thirty-ninth Session at the same time it considers the Strategic Financial Plan for 1996-97;

g) further requested the Executive Director, in implementing personnel policy and programme support activities, to adopt the necessary flexible measures to ensure that her commitment to keep expenditures and income in balance can be respected;

h) noted the statement of the Executive Director concerning the possibility of the Programme's headquarters moving to a new building in 1994, invited her to finalize the negotiations in that regard, authorized the use of up to one million dollars for that purpose within the budget ceiling, and requested a report on that to the Thirty-seventh Session of the CFA."

19. Audited accounts for 1990-91 and the report of the External Auditor. In accordance with Article 30 of the General Regulations for the World Food Programme, the Committee, for the first time, exercised its power to approve the financial statements and accounts of the Programme for 1990-91 and decided that these be forwarded to the United Nations General Assembly and the FAO Conference in accordance with Financial Regulation 11.10. It also expressed appreciation of the efforts made by WFP in developing its own accounting system, and commended the External Auditor for constructive comments on the issue of monetization, i.e. the sale of WFP commodities to generate funds in support of development activities.

20. Appointment of the External Auditor for 1994-97. For the first time, the CFA appointed an External Auditor for WFP, based on the two criteria of competence and best value for money. It decided, by consensus, to appoint the Cours des Comptes of France as the External Auditor of the Programme for a period of four years commencing 1 July 1994. The Committee also undertook to develop a clear procedure for the appointment of future External Auditors.

21. WFP pledging target for 1995-96. The Committee: a) endorsed the pledging target of 1.5 billion dollars for the 1995-96 biennium; and b) recognized the importance of one third of the pledges to the regular resources being made in cash. It recommended appropriate resolutions for adoption by the FAO Council/Conference and the Economic and Social Council/United Nations General Assembly.

22. The Committee also recommended that the Programme critically examine the issue of synchronizing the pledging and the budget periods. The Secretariat responded that this issue would be examined and a report submitted to the CFA.

23. Actions of interest since the Thirty-third Session of the CFA. The Committee focused its attention on the implementation of General Assembly resolution 47/199. The discussions taking place at the United Nations in New York relating to the restructuring of the United Nations system, its intergovernmental bodies and the Economic and Social Council which, *inter alia*, proposed changes in the size and composition of the governing bodies of the funds and programmes were noted with great interest. Concern was expressed that Rome-based representatives, whose work principally had to deal with food and agriculture, and who were well placed to understand the implications of the proposed reforms on the future direction of the Programme, were not kept fully involved. The Executive Director, on her part, undertook to keep the Committee fully informed of developments in this important issue.

24. At the request of the Committee, the FAO Legal Counsel gave his opinion on the implications for the CFA and WFP if a resolution such as proposed in General Assembly document A/47/L.58 of 28 April 1993 was passed by the General Assembly. He explained that as WFP was a joint programme of the United Nations and FAO, any proposals to change WFP's Basic Texts and the legal structure of the governance of the Programme would need to be adopted through parallel resolutions of the FAO Conference and United Nations General Assembly. The normal process would be for those bodies to act on the basis of a consideration of the matter by the CFA, ECOSOC and the FAO Council.

25. The Committee agreed to set up an Informal Working Group to consider with the Secretariat how best to proceed with the implementation of resolution 47/199 and prepare for further decision-making in forthcoming meetings of the CFA.

26. The Informal Working Group of the CFA subsequently met to provide guidance to the Secretariat on issues to which WFP should give priority in its follow-up work and in reporting to the CFA, ECOSOC and the Secretary-General.

27. The Secretariat also presented for the Committee's information its follow-up plans on the outcome of the United Nations Conference on Environment and Development and the International Conference on Nutrition.

28. Global food aid resources and review of food aid policies and programmes. Four interrelated issues were identified in a paper prepared by the Secretariat for the CFA's consideration: i) the appropriate level of food aid in the nineties; ii) means of assuring reliable food aid supplies; iii) the multilateral channelling of food aid; and iv) principles governing the provision of programme food aid. The paper also summarized the main conclusions of a study commissioned by WFP of the potential effects of the GATT Uruguay Round on the global food aid situation in general, and on future levels of food aid. The Committee undertook a first reading of the subject during which a wide range of views were expressed. No consensus was reached, but delegations agreed that in view of the importance of the matter for all food aid, the Secretariat should monitor discussions and decisions in other fora and report to the Committee as appropriate. The Committee agreed to return to the subject at a future session of the CFA.

29. Criteria for project approval. The Secretariat presented progress reports, indicating how its work relevant to the preparation of criteria for project approval was proceeding, including the guidelines and criteria currently used by the Secretariat in its internal approval process. A final report, to be submitted to the Thirty-eighth Session of the CFA, would reflect the outcome of the wider policy debate on future strategies of the Programme proposed by the Executive Director.

## SUMMARY OF THE WORK OF THE SUB-COMMITTEE ON PROJECTS (SCP) IN 1993

30. The Sub-Committee on Projects was established by the CFA to undertake a technical scrutiny of development projects, protracted refugee operations and related budget increases submitted by the Executive Director for approval by the Committee, and to review other technical matters. During 1993, the SCP met twice (before the CFA sessions). At these meetings, the Sub-Committee was assisted by representatives of the Secretary-General of the United Nations, the Director-General of FAO, and representatives of specialized agencies of the United Nations. In addition, technical experts from countries with projects for approval were invited to provide detailed information to the SCP.

31. The CFA unanimously approved 14 development projects and eight protracted refugee and displaced person projects (PROs) which the SCP at its 1993 sessions had recommended to the CFA for approval. In addition, four Country Strategy Outlines (CSOs) were submitted for information. The CFA agreed to undertake a full discussion of CSOs at its Thirty-eighth Session, in conjunction with the debate on criteria for project approval.

32. Seventeen interim evaluation reports on operational projects were endorsed. A sectoral evaluation summary report on WFP assistance to the development and protection of rainfed agriculture in China (Loess Plateau) and an ex-post evaluation summary report on an erosion control project on the Loess Plateau of China were also endorsed.

33. Following are details of the projects approved by the CFA upon the SCP's recommendation in 1993, for a total value of 198.1 million dollars and 575,300 tons of food. The SCP also took note of projects approved under the delegated authority of the Executive Director and approved or noted budget revisions with a total value of 54.7 million dollars and 104,900 tons of food.

| Country, project number | Project title | Total WFP food commitment ('000 tons) | Total WFP cost (mill. $) |
|---|---|---|---|
| CHINA 4071 | Poverty alleviation and environmental rehabilitation in three upland counties in Ningxia Hui Autonomous Region | 80.5 | 13.2 |
| SRI LANKA 4521 | Rehabilitation of minor irrigation schemes | 20.3 | 8.3 |
| VIET NAM 3844 (Exp.1) | Assistance to primary health care programme | 31.2 | 10.6 |
| BOLIVIA 2735 (Exp.2) | Support for Bolivian social development through assistance to pre-school children | 28.1 | 10.2 |
| COLOMBIA 2740 (Exp.1) | Socio-economic activities and environmental protection in indigenous communities | 50.0 | 8.0 |
| EL SALVADOR 3886 (Exp.1) | Development of community-based primary education and preventive health care | 45.1 | 19.0 |
| PERU 5162 | Ecological rehabilitation of Andean micro-watersheds | 48.9 | 9.5 |
| MOROCCO 2288 (Exp.4)* | Feeding of children in rural primary schools | 37.0 | 21.1 |
| BENIN 5208 | School canteens and assistance to the education sector | 16.3 | 9.8 |
| BENIN 5215 | Multi-purpose rural development and support for food security | 16.7 | 8.9 |
| COTE D'IVOIRE 3358 (Exp.1) | School feeding programme | 31.8 | 19.5 |
| ETHIOPIA 2488 (Exp.3) | Rehabilitation and development of rural lands and infrastructure | 112.6 | 38.6 |
| LESOTHO 352 (Exp.8) | Construction, upgrading and maintenance of rural access roads | 27.9 | 10.4 |
| MOZAMBIQUE 5160 | Feeding of students at boarding-schools and in drought areas | 28.9 | 11.0 |
| Total | | 575.3 | 198.1 |

* The original project was approved with an adjustment in the duration.

34. Following are details of protracted refugee and displaced persons projects approved by the CFA upon the SCP's recommendation in 1993, for a total value of 424.9 million dollars and 1,082,100 tons of food. The SCP also took note of projects approved under the delegated authority of the Executive Director and approved or noted budget revisions with a total value of 57.2 million dollars and 127,100 tons of food.

| Country, project number | Project title | Total WFP food commitment ('000 tons) | Total WFP cost (mill. $) |
|---|---|---|---|
| AFGHANISTAN 5086 (Exp.1) | Activities related to Afghanistan and Afghan refugees | 166.9 | 60.3 |
| PAKISTAN 4256 (Exp.4) | | 119.6 | 29.4 |
| IRAN 4258 (Exp.4) | | 52.3 | 14.5 |
| LIBERIA REGIONAL 4604 (Exp.2) | Food assistance to Liberian and Sierra Leonean refugees and displaced persons in Liberia, Côte d'Ivoire, Guinea and Sierra Leone | 163.4 | 81.4 |
| MOZAMBIQUE REGIONAL | Food assistance for refugees, returnees and internally displaced persons | 204.5 | 79.3 |
| BANGLADESH 5329 | Assistance to the Rohingya refugees from Myanmar | 68.1 | 26.5 |
| NEPAL 5324 | Food assistance to Bhutanese refugees in Nepal | 33.0 | 11.1 |
| ETHIOPIA 5241 | Food assistance for Somali and Sudanese refugees in Ethiopia | 63.9 | 33.3 |
| KENYA 4961 (Exp.1) | Food aid for Somali, Ethiopian and Sudanese refugees | 98.8 | 47.5 |
| SUDAN 4168 (Exp.3) | Food aid for Ethiopian and Eritrean refugees | 80.3 | 31.8 |
| UGANDA 4171 (Exp.3) | Food aid for Sudanese refugees in Uganda | 31.3 | 9.8 |
| Total | | 1 082.1 | 424.9 |

The SCP further took note of emergency operations approved during 1993 with a total value of 737.5 million dollars and 1,308,300 tons of food.

## ANNEX

### MEMBERSHIP OF THE CFA IN 1993

In 1993 the members of the CFA (SCP*) were:

Angola*
Argentina*
Australia*
Bangladesh*
Belgium
Brazil*
Burkina Faso
Burundi*
Cameroon*
Canada*
China*
Colombia*
Cuba
Democratic People's Republic of Korea*
Denmark
Dominican Republic
Egypt*
El Salvador*
Ethiopia*
France*
Germany*
Ghana*
Hungary
India*
Indonesia*
Italy
Japan*
Mexico*
Netherlands*
Niger
Nigeria
Norway*
Pakistan*
Romania
Saudi Arabia
Senegal
Sri Lanka
Sweden*
Syria
Tanzania*
United Kingdom*
United States of America*

The CFA Chairperson was Ms. C. Theauvette (Canada). Mr. M.T.H. Beg (Bangladesh) was First Vice-Chairperson and Mr. J. Bailey (Australia) was Second Vice-Chairperson.

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